

CITY OF MUSKEGON
PLANNING COMMISSION
SPECIAL MEETING
MINUTES

May 22, 2017

Chairman T. Michalski called the meeting to order at 4:02 p.m. and roll was taken.

MEMBERS PRESENT: F. Peterson, T. Michalski, J. Montgomery-Keast, B. Larson, B. Mazade, S. Gawron

MEMBERS ABSENT: J. Doyle, excused; E. Hood, excused; M. Hovey-Wright, excused.

STAFF PRESENT: M. Franzak, H. Mitchell

OTHERS PRESENT: B. Playford, 1635 Rood Point; B. Krick, 1762 Jefferson; L. Spataro, 1567 6th; F. Towsley, 1070 W. Forest; B. Delvecchio, 1110 Ireland; W. Bowman, 1103 W. Southern.

APPROVAL OF MINUTES

A motion to approve the Minutes of the regular meetings of April 13, 2017 and May 11, 2017 was made by J. Montgomery-Keast, supported by B. Larson and unanimously approved.

PUBLIC HEARINGS

B. Playford described his business, AvaSure, LLC, and provided a summary of the proposed re-use of the former Nims and Craig schools.

Hearing, Case 2017-12: Request for a preliminary and final Planned Unit Development for a multi-use project in an R-1, Single Family Low Density Residential District at 1580 Park St. (former Craig School). M. Franzak presented the staff report. Craig School has been vacant since it closed in 2012. Because it is a very large building and there were several uses requested, staff determined that a Planned Unit Development (PUD) was the best option. The underlying zoning of this property is R-1, Single Family Low Density Residential District. The PUD is being requested by AvaSure, the potential buyers of the property. They have proposed the following uses for the site, as described in the staff report: 1) a juvenile remediation program and other community service organizations, 2) community outreach programs, 3) multi-tenant commercial subleases, 4) a community urban garden, and 5) other community activities. A floor plan was provided to commission members.

B. Playford stated that he wanted to bring jobs to the city and occupy buildings centering around commercial and multi-unit tenants. Educational components would be included throughout the different areas. Community EnCompass currently uses part of the facility for some of their field services for their housing rehab program and beautification services for the McLaughlin and Nelson neighborhoods. He stated that close to half a million dollars had been raised to stabilize this location. He would help bring in other small businesses through his mentoring/incubator endeavor. He intended the facility to be sustainable and self funding. J. Montgomery-Keast asked if this would be for profit or nonprofit. B. Playford stated that both properties would be put into a single member LLC and would be for profit. B. Larson asked about the life/work classes for troubled youth. B. Playford explained that the "Fresh Start" program was written by District Attorney Hilson and had

been implemented in other communities due to its success. J. Montgomery-Keast stated that she worked for Muskegon County and was familiar with that program. B. Mazade asked why a PUD was requested for this site when the property was zoned single family residential and the PUD was for a nonresidential use. M. Franzak stated that they had looked at how to best approach this request, and due to the pre-existing structures and their prior use (schools), the PUD gave the Planning Commission and City Commission the chance to have a say in what functions may or may not be allowed. B. Mazade asked if this PUD request, with its current zoning, was consistent with other areas within the city having PUD's. M. Franzak provided examples of other PUD's within the City whose current use was different than the underlying zoning, including the WaterMark and Target store which had underlying industrial zoning. Terrace Point Landing also had a PUD with the underlying zoning being B-2. B. Mazade had concerns regarding the compatibility of the uses proposed at this location and the possible effects on the neighborhood. M. Franzak stated that the proposed uses wouldn't cause more traffic than what had been there when the building was being used as a school. J. Montgomery-Keast added that a lot of what was proposed was educational, which was similar to what a school did. T. Michalski asked what the plans were for the tennis courts and the half basketball court. B. Playford stated that he would pare it back to one of each. T. Michalski discussed the history of the basketball courts and the problems that had occurred in the evenings there. There were full basketball courts constructed a few blocks from this school which were utilized regularly and included lighting for evening play. B. Playford stated that he was willing to forego reconstruction of the basketball court at this location. J. Montgomery-Keast asked about the rent that would be charged to each of the proposed tenants. B. Playford stated that he wanted everything that was done at the location to be sustainable, and the rents would hopefully provide enough income to pay the bills. He stated that rent would be lower at this location compared to other areas. B. Mazade asked if this proposal had been shared with the Nelson Neighborhood at their neighborhood meeting. B. Playford stated that he had met with them the previous week.

B. Krick was a board member on the City's Housing Board of Appeals. He stated that the Nelson Neighborhood was a target area for blight removal and improvements, and there had already been many homes demolished in the area. He was concerned that the effects of commercial uses at the site may hurt the efforts that have already happened in the neighborhood and bring down property values. L. Spataro stated that he was the president of the Nelson Neighborhood Improvement Association. He understood that it was hard to repurpose a school building but he was concerned about increased traffic, noise, and trash problems in the area. The educational components were a positive aspect; however, this location was surrounded on all four sides by residential homes. He discussed previous issues with the basketball court and the trouble it had caused in the area. Since there were full basketball courts constructed a few blocks from this location, he was opposed to courts being reestablished at the school. He didn't believe that a rezoning of this property to a PUD would be good for the neighborhood. He did agree that an occupied building was better than a vacant one that would continue to deteriorate. He had seen in the past how proposals with good intentions either didn't move forward or ended up creating a negative impact later. He stated that a Special Use Permit may be a better option because the Planning Commission could then place stipulations on it that would help protect the surrounding neighborhood. He also stated that there would be a negative impact on the neighborhood if outdoor storage was allowed, and he thought the fence should be removed. B. Mazade asked if the Nelson Neighborhood Improvement Association had taken any action at their meeting when this was presented to them. L. Spataro stated that there hadn't been any actions as an association taken. M. Franzak stated that, under the current zoning, neither a juvenile remediation center nor the community outreach programs would be allowed as a principle use under the special use permit. The PUD option would allow the board to be able to place restrictions on uses at the property and any changes would require Planning Commission approval. S. Gawron asked what would happen if the proposed uses were to cease at the location. M. Franzak stated that it would be

hard to find another person or group that would have the same uses for the structure. Should the structure become vacant for three years, it would lose its PUD status. B. Krick asked for clarification. M. Franzak explained that if it were to be vacant for three years or this proposal didn't happen, the PUD would no longer exist and the underlying zoning would not change. The property would still be zoned as Single Family Residential and multi-family uses would not be allowed under that zoning. J. Montgomery-Keast asked what the structural condition of this building was. M. Franzak stated that he could not give an assessment of the structure. B. Playford stated that the structure needed substantial work done, including a new roof, HVAC, ceiling tiles, paint, door frames, and glass for the boarded windows. Between the roof and HVAC, the cost was about \$300,000 to \$400,000. F. Towsley stated that the community center education should be offered to all kids. B. Playford stated that if he could obtain funding, he would like to open the educational programs up to more youth. F. Peterson asked Mr. Playford if he could explain the funding, due to this being an expensive venture without an immediate return. B. Playford explained that his current business was in health care with sales to hospitals around the country. His business had been established for eight years. He discussed sales figures for his current business and stated that he did have financial stability.

A motion to close the public hearing was made by B. Larson, supported by F. Peterson and unanimously approved.

A motion that the preliminary and final PUD for the re-use of the former Craig School at 1580 Park Street, as described in the staff report, be recommended to the City Commission for approval with the conditions that 1) there will be no basketball courts, 2) there will be no out buildings or outdoor storage and 3) the fence will be removed where possible, was made by J. Montgomery-Keast and supported by F. Peterson, with discussion continuing on the motion. B. Larson had concerns with the stipulation of no basketball courts, despite the past problems. B. Mazade realized the challenges of repurposing this building and site, but he had concerns with how the proposed uses could impact the neighborhood. A vote was taken on the motion, which was approved with F. Peterson, T. Michalski, J. Montgomery-Keast, B. Larson, and S. Gawron voting aye, and B. Mazade voting nay.

Hearing, Case 2017-13: Request for a preliminary and final Planned Unit Development for a multi-use project in an R-1, Single Family Low Density Residential District at 1161 W Southern Avenue (former Nims School). M. Franzak presented the staff report. Nims Elementary School closed in 2012 and has been vacant since then. Since this is a very large building and there were several uses requested, the best option for reusing this property was determined to be a Planned Unit Development (PUD). The underlying zoning of this property was R-1, Single Family Low Density Residential District. This PUD is being proposed by AvaSure, the potential buyers of the property, and the following uses were being considered: professional offices, research and development, light assembly, and a small business incubator. A proposed floor plan was provided to the board members.

B. Playford's executive summary indicated that AvaSure would expand its offices into the Nims facility, and they expected to hire 100-150 new employees over the next five years. An Innovation, Research & Mentoring Center was planned, and the owner had already received interest from entities within the community to sublease space for their ventures. The facility would also provide limited space for early stage small commercial startup businesses, including commercial office and assembly, which would include the usage of power tools and small machinery that would not to exceed an 110V draw on power. Any heavier equipment would be located off site. Beginning in 2018, in conjunction with Community EnCompass, a portion of the Nims grounds would be developed into a commercial urban garden. AvaSure also intended to preserve one ball diamond backstop and the soccer goals on

the grounds for community use.

B. Larson stated that there was currently a community garden at this location and hadn't seen or heard of any problems with it. He was aware of the noise associated with gardening and lawn maintenance but didn't see this as a problem, as it wouldn't be any different than anywhere else. B. Mazade asked if this proposal had been shared at the Nims Neighborhood meeting. B. Playford stated that he had been to two of the meetings and those that were in attendance seemed to be in favor of the proposal. S. Gawron stated that he was a member of the Nims Neighborhood Association and was supportive of this, overall. He hadn't heard of any push back from the neighborhood. The City had purchased a corner of the parcel on Davis St. and installed a playground, and there was a partnership with Habitat for Humanity for the community garden. His concerns with this request had been answered in the prior case regarding what happens with the PUD and future uses should this proposal not happen or the building becomes vacant. B. Mazade asked about the partnership with the City that was shown in the list of different partnerships. F. Peterson stated that the partnership had to do with an edging program for the sidewalks in the different neighborhoods and the curbs. J. Montgomery-Keast asked when the project would get started. B. Playford stated that it would be after the City Commission meeting of June 13th. He stated that the buildout would be done over three years. They planned to hold open houses in the fall at both locations. B. Larson asked if the sale would place this property back on the tax roll. F. Peterson stated that it would. B. Delvecchio was concerned that this development could bring down property values on her rental property, and thought that a Special Use Permit would be a better option than a PUD. W. Bowman had concerns regarding the upkeep of the property if the proposal did not move forward or if it were to stop. He didn't have any concerns in regard to the proposed use. B. Larson stated that the school would be sold and this would place the property on the tax rolls with the owner being responsible for the maintenance.

A motion to close the public hearing was made by B. Larson, supported by F. Peterson and unanimously approved.

B. Larson stated that he understood the concerns that were shared; he thought that the best plan was to not let either of the properties sit vacant and deteriorate. A motion that the preliminary and final PUD for the re-use of Nims School, 1161 W Southern Avenue, as described in the staff report, be recommended to the City Commission for approval was made by B. Larson, supported by J. Montgomery-Keast and unanimously approved, with F. Peterson, T. Michalski, J. Montgomery-Keast, B. Larson, B. Mazade, and S. Gawron voting aye.

NEW BUSINESS

None

OLD BUSINESS

None.

There being no further business, the meeting was adjourned at 5:00 p.m.